

UNITED STATES OF AMERICA,  
Plaintiff,  
v.  
ZACHERY T. WHITEHILL,  
[DOB: xx/xx/77],  
CHRISTOPHER L. CARLSON,  
[DOB: xx/xx/69],  
JAIME E. COOK,  
[DOB: xx/xx/76],  
BRADLEY L. LOVSTAD,  
[DOB: xx/xx/62],  
STEVEN T. RICE,  
[DOB: xx/xx/61],  
JASON R. SPENCER,  
[DOB: xx/xx/79],  
and  
MONTY E. WANLESS,  
[DOB: xx/xx/76],  
Defendants.

No. \_\_\_\_\_  
COUNT ONE: All Defendants  
18 U.S.C. § 371 (Conspiracy to  
Commit Wire and Telemarketing  
Fraud)  
NMT: 5 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class D Felony  
COUNTS TWO THROUGH FOUR:  
Defendant WHITEHILL  
18 U.S.C. §§ 1343, 2325, 2236  
and 2 (Aiding and Abetting Wire  
and Telemarketing Fraud)  
NMT: 10 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
COUNTS FIVE THROUGH SEVEN:  
Defendant CARLSON  
18 U.S.C. §§ 1343, 2325, 2236  
and 2 (Aiding and Abetting Wire  
and Telemarketing Fraud)  
NMT: 10 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
COUNTS EIGHT THROUGH TEN:  
Defendant COOK  
18 U.S.C. §§ 1343, 2325, 2236  
and 2 (Aiding and Abetting Wire  
and Telemarketing Fraud)  
NMT: 10 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony

) COUNTS ELEVEN THROUGH THIRTEEN:  
) Defendant LOVSTAD  
) 18 U.S.C. §§ 1343, 2325, 2236  
) and 2 (Aiding and Abetting Wire  
) and Telemarketing Fraud)  
) NMT: 10 Years Imprisonment  
) NMT: \$250,000 Fine  
) NMT: 3 Years Supervised Release  
) Class C Felony  
)  
) COUNTS FOURTEEN THROUGH SIXTEEN:  
) Defendant RICE  
) 18 U.S.C. §§ 1343, 2325, 2236  
) and 2 (Aiding and Abetting Wire  
) and Telemarketing Fraud)  
) NMT: 10 Years Imprisonment  
) NMT: \$250,000 Fine  
) NMT: 3 Years Supervised Release  
) Class C Felony  
)  
) COUNTS SEVENTEEN THROUGH  
) NINETEEN: Defendant SPENCER  
) 18 U.S.C. §§ 1343, 2325, 2236  
) and 2 (Aiding and Abetting Wire  
) and Telemarketing Fraud)  
) NMT: 10 Years Imprisonment  
) NMT: \$250,000 Fine  
) NMT: 3 Years Supervised Release  
) Class C Felony  
)  
) COUNTS TWENTY THROUGH TWENTY-TWO:  
) Defendant WANLESS  
) 18 U.S.C. §§ 1343, 2325, 2236  
) and 2 (Aiding and Abetting Wire  
) and Telemarketing Fraud)  
) NMT: 10 Years Imprisonment  
) NMT: \$250,000 Fine  
) NMT: 3 Years Supervised Release  
) Class C Felony  
)  
) COUNT TWENTY-THREE: Defendant  
) WHITEHILL  
) 18 U.S.C. § 1957 and 2 (Aiding  
) and Abetting Money Laundering)  
) NMT: 10 Years Imprisonment  
) NMT: \$250,000 Fine  
) NMT: 3 Years Supervised Release  
) Class C Felony

) COUNT TWENTY-FOUR: Defendant  
) WHITEHILL  
) 18 U.S.C. § 982 (Criminal  
) Forfeiture)  
)  
) \$100 Mandatory Special Assessment  
) Counts One through Twenty-Three

I N D I C T M E N T

THE GRAND JURY CHARGES THAT:

COUNT ONE

A. BACKGROUND

At all times material to this Indictment:

1. From on or about August 1999 and continuing until February 22, 2001, both dates being approximate, in the Western District of Missouri and elsewhere, Gecko Communications, Inc. (hereinafter referred to as Gecko) was engaged in a fraudulent telemarketing scheme by promising credit-challenged consumers that in exchange for an advance fee ranging between \$159.95 and \$229.95 they would receive a major credit card and other ancillary benefits when in fact the purchaser received only an application for a credit card and various merchandise and travel coupons and other discounts.

2. This scheme was facilitated from Gecko offices located in Kansas City, Missouri; Shawnee, Kansas; Lawrence, Kansas; Des Moines, Iowa; Stanton, Iowa; and Brooklyn, Iowa where Gecko telemarketers made unsolicited telephone calls to residents throughout the United States.

3. As part of this scheme Gecko entered into agreements with various vendors who caused fulfillment packages to be provided to the consumers containing the application for a credit card and the various merchandise and travel coupons and other discounts.

4. In order to collect what Gecko represented was a one time only registration and processing fee to receive the credit cards, telemarketers requested that these consumers provide their bank account information including account numbers, routing codes, and draft dates.

5. Following the sale Gecko submitted this banking information to the vendors who caused automated clearing houses including United Capturdyne Technologies, Inc. to debit fees ranging from \$159.95 to \$229.95 from consumer bank accounts.

6. After the proceeds were collected the automated clearing houses then wire transferred these funds to the various vendors and Gecko according to a prearranged agreement.

7. During this scheme neither Gecko nor any vendor provided consumers with a major unsecured Visa or MasterCard in the fulfillment package as promised.

8. At no time relevant to this Indictment was Gecko or any vendor authorized by Visa or MasterCard to make credit card offers to the public and as a result of this scheme consumers were defrauded of approximately \$12,523,704.00.

B. Gecko Communications, Inc.

9. Gecko was founded by Christopher J. Ekeland, not named as a defendant in this Indictment, and defendant ZACHERY T. WHITEHILL on or about January 16, 1997 for the purpose of providing telemarketing services. At that time, Gecko conducted a telemarketing campaign on behalf of various charitable organizations including the Wishing Well Foundation, The American Deputy Sheriffs Association, the Defeat Diabetes Foundation, the International Center for the Search and Recovery of Missing Children and the Fondest Wish Foundation. As part of that activity, Gecko telemarketers misrepresented the percentage of the donated funds forwarded to the charity, and Gecko misrepresented the location of its telemarketers. On or about August 1999, Gecko initiated the telemarketing campaign concerning the credit card offer which is the subject of this Indictment.

C. Participants in the Scheme

10. Defendant ZACHERY T. WHITEHILL established Gecko on or about January 18, 1997, with Christopher J. Ekeland and was co-owner. Specifically, WHITEHILL assisted in providing the capital for Gecko and acted as its vice-president. In this regard, WHITEHILL was responsible for, or had significant involvement in, developing retirement and health insurance plans, training managers and telemarketers, making strategic business decisions

including hiring personnel, locating offices, and purchasing major equipment, and at all times relevant to this Indictment, acting alone or in concert with others, he formulated, directed, controlled or participated in the acts and practices of Gecko including the acts and practices set forth in this Indictment.

11. Defendant CHRISTOPHER L. CARLSON joined Gecko as manager of the Essex, Iowa Gecko office in 1998. Subsequently, on or about September 1999, CARLSON became manager of the Stanton, Iowa, Gecko office. As manager, CARLSON was responsible for, or had significant involvement in, hiring and training telemarketers and other personnel, maintaining and modifying the sales script, processing leads for credit-challenged consumers, preparing sales reports, generating payroll records and conducting other managerial duties, and at all times relevant to the Indictment, acting alone or in concert with others, he formulated, directed, controlled, or participated in the acts and practices of Gecko including the acts and practices set forth in this Indictment. Additionally, CARLSON was responsible for supervising the Stanton, Iowa office which yielded approximately \$1,595,009.00 in revenue between January 2000 and February 22, 2001.

12. Defendant JAIME E. COOK joined Gecko in 1997. Subsequently, on or about April 1999, COOK became manager of the Des Moines, Iowa Gecko office. As manager, COOK was responsible

for, or had significant involvement in, hiring and training telemarketers and other personnel, maintaining and modifying the sales script, processing leads for credit-challenged consumers, preparing sales reports, generating payroll records and conducting other managerial duties, and at all times relevant to the Indictment, acting alone or in concert with others, he formulated, directed, controlled, or participated in the acts and practices of Gecko including the acts and practices set forth in this Indictment. Additionally, COOK was responsible for supervising the Des Moines, Iowa office which yielded approximately \$2,775,049.00 in revenue between December 2000 and February 22, 2001.

13. Defendant BRADLEY L. LOVSTAD joined Gecko in 1997. Subsequently, on or about April 1999, LOVSTAD became manager of the Brooklyn, Iowa Gecko office. As manager, LOVSTAD was responsible for, or had significant involvement in, hiring and training telemarketers and other personnel, maintaining and modifying the sales script, processing leads for credit-challenged consumers, preparing sales reports, generating payroll records and conducting other managerial duties, and at all times relevant to the Indictment, acting alone or in concert with others, he formulated, directed, controlled, or participated in the acts and practices of Gecko including the acts and practices set forth in this Indictment. Additionally, LOVSTAD was

responsible for supervising the Brooklyn, Iowa office which yielded approximately \$1,120,718.00 in revenue between November 1999 and November 2000.

14. Defendant STEVEN T. RICE joined Gecko in September 1998, as manager of the Lawrence, Kansas, Gecko office. As manager, RICE was responsible for, or had significant involvement in, hiring and training telemarketers and other personnel, maintaining and modifying the sales script, processing leads for credit-challenged consumers, preparing sales reports, generating payroll records and conducting other managerial duties, and at all times relevant to the Indictment, acting alone or in concert with others, he formulated, directed, controlled, or participated in the acts and practices of Gecko including the acts and practices set forth in this Indictment. Additionally, RICE was responsible for supervising the Lawrence, Kansas office which yielded approximately \$2,479,970.00 in revenue between September 1999 and February 22, 2001.

15. Defendant JASON R. SPENCER joined Gecko in 1997. Subsequently, on or about August 2000, SPENCER became manager of the Kansas City, Missouri Gecko office. As manager, SPENCER was responsible for, or had significant involvement in, hiring and training telemarketers and other personnel, maintaining and modifying the sales script, processing leads for credit-challenged consumers, preparing sales reports, generating payroll



records and conducting other managerial duties, and at all times relevant to the Indictment, acting alone or in concert with others, he formulated, directed, controlled, or participated in the acts and practices of Gecko including the acts and practices set forth in this Indictment. Additionally, SPENCER was responsible for supervising the Kansas City, Missouri office which yielded approximately \$876,360 in revenue between August 2000 and February 22, 2001.

16. Defendant MONTY E. WANLESS joined Gecko in 1998. Subsequently, on or about July 1999 WANLESS became manager of the Kansas City, Missouri Gecko office and on or about August 2000, WANLESS became manager of the Shawnee, Kansas, Gecko office. As manager, WANLESS was responsible for, or had significant involvement in, hiring and training telemarketers and other personnel, maintaining and modifying the sales script, processing leads for credit-challenged consumers, preparing sales reports, generating payroll records and conducting other managerial duties, and at all times relevant to the Indictment, acting alone or in concert with others, he formulated, directed, controlled, or participated in the acts and practices of Gecko including the acts and practices set forth in this Indictment. Additionally, WANLESS was responsible for supervising the Shawnee, Kansas office which yielded approximately \$1,870,290.00 in revenue between August 2000 and February 22, 2001, and was responsible

for supervising the Kansas City, Missouri office which yielded approximately \$1,466,543.00 in revenue between August 1999 and August 2000.

17. Matthew Thomas, not named as a defendant in this Indictment, joined Gecko in 1998. Subsequently, on or about November 2000, Thomas became manager of the Brooklyn, Iowa Gecko office. As manager, Thomas was responsible for, or had significant involvement in, hiring and training telemarketers and other personnel, maintaining and modifying the sales script, processing leads for credit-challenged consumers, preparing sales reports, generating payroll records and conducting other managerial duties, and at all times relevant to the Indictment, acting alone or in concert with others, he formulated, directed, controlled, or participated in the acts and practices of Gecko including the acts and practices set forth in this Indictment. Additionally, Thomas was responsible for supervising the Brooklyn, Iowa office which yielded approximately \$339,765.00 in revenue between November 2000 and February 22, 2001.

D. The Conspiracy and Scheme and Artifice to Defraud

18. It was a part of the scheme that beginning on or about August 1999, and continuing until February 22, 2001, Gecko made arrangements with various vendors to provide telemarketing services for a plan, program, promotion and campaign to induce

the purchase of a major unsecured credit card for an advance fee payment ranging between \$159.95 and \$229.95.

19. It was further a part of the scheme that these vendors provided Gecko with a sales script which was subject to modification by Gecko management, approval by the vendors, and further modification by Gecko management.

20. It was further a part of the scheme that the Gecko sales script periodically changed names to include Triple Gold Benefits, Alliance for Financial Security, Card America, Novella Credit Solutions, Key Credit Solutions, Credit Solutions, Vendon Credit Solutions, Alliance For Family Security, Titanium Financial Resources, Platinum 2000 and others.

21. It was further a part of the scheme that Gecko telemarketers used this sales script in making unsolicited telephone calls to credit challenged consumers throughout the United States and made false offers to provide pre-approved credit cards to those consumers who agreed to debit their bank accounts.

22. It was further a part of the scheme that the sales script used by Gecko contained material misrepresentations and misleading statements of fact including but not limited to the following:

- a. The representation that the telemarketers were employed with various entities including Triple Gold

Benefits, Alliance for Financial Security, Card America, Novella Credit Solutions, Key Credit Solutions, Credit Solutions, Vendon Credit Solutions, Alliance For Family Security, Titanium Financial Resources, Platinum 2000 and others when in fact the telemarketers were employed with Gecko.

b. The representation that company records indicated that the consumer had been approved to receive a major unsecured Visa or MasterCard when in fact no such company records existed and no one had been approved for a credit card.

c. The representation that the consumers' credit had been upgraded and the credit card will have a limit ranging between \$2,500 and \$5,000 when in fact no consumer had their credit upgraded and no credit card had been sent in the fulfillment package.

d. The representation that the company was in the business of helping people establish credit by retaining counselors when in fact Gecko was a telemarketing company in the business of soliciting telephone sales.

The above representations were materially false, fraudulent and misleading in that Gecko had no authority whatsoever to offer MasterCard or Visa credit cards, that Gecko maintained no

connection to financial institutions that issued credit cards, and that Gecko did not in fact issue credit cards.

23. It was further a part of the scheme that after the consumer agreed to the terms set forth in the Gecko sales script a Gecko verification officer tape recorded a statement with the consumer.

24. It was further part of the scheme that the verification officer obtained bank information including account numbers, routing codes and a draft date from the consumer in order to schedule the automated withdrawal of the advance fee.

25. It was further a part of the scheme that prior to the recording the consumer was told to refrain from asking any questions during the verification process, and the verification officer with some exceptions informed the consumer that they would only receive an application for an unsecured credit card during this tape recorded statement.

26. It was further a part of the scheme that rebuttals were developed in the event the consumer, after the verification process, inquired about the discrepancy between the promise of a credit card in the sales script and the statement that an application for a credit card would be forthcoming during the verification process.

27. It was further a part of the scheme that Gecko purchased lists of credit-challenged persons from lead brokers

including Dart Data, Group One, Oxley IT, Global Com, Inc., Century List Services, Leadco, Paramount Lists, Inc., and others.

28. It was further a part of the scheme that on or about August 10, 2000, Gecko co-owners Ekeland and defendant WHITEHILL established an entity called Lizard Lists, Inc. for the purpose of purchasing leads of credit-challenged persons.

29. It was further a part of the scheme that Gecko submitted records of completed sales to the vendors who submitted the properly verified sales to various automated clearing houses including United Capturdyne Technologies, Inc.

30. It was further a part of the scheme that the automated clearing houses processed the properly verified sales by debiting the bank account of the consumers and wire transferring the funds to the vendors or to Gecko specifically at the Poweshiek Bank in Brooklyn, Iowa.

31. It was further a part of the scheme that Gecko co-owners Ekeland and defendant WHITEHILL directed that the proceeds from this scheme be used to purchase additional leads of credit-challenged persons and to fund Lizard Lists, Inc.

32. It was further a part of the scheme that neither the vendors nor Gecko provided credit cards for these consumers but instead the vendors mailed a fulfillment package containing an application for a credit card and other ancillary benefits including merchandise and travel coupons, and other discounts.

E. The Violation

33. Beginning on or about August 1999, and continuing through on or about February 22, 2001, both dates being approximate, in the Western District of Missouri and elsewhere, ZACHERY T. WHITEHILL, CHRISTOPHER L. CARLSON, JAIME E. COOK, BRADLEY L. LOVSTAD, STEVEN T. RICE, JASON R. SPENCER, and MONTY E. WANLESS, defendants herein, did knowingly and intentionally combine, conspire, confederate and agree with others both known and unknown to the grand jury, to commit offenses against the United States, that is, to commit wire fraud by devising a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises as described in paragraphs 18 through 32 above, and transmitting and causing to be transmitted in interstate commerce by means of a wire communication certain signs and signals and sounds, and as part of that scheme, defendants aiding and abetting each other and others, engaged in a plan, program, promotion and campaign to induce the purchases of goods or services by use of one or more interstate telephone calls initiated by a person who is conducting the plan, program, promotion and campaign, contrary to the provisions of Title 18 United States Code, Sections 1343, 2325, 2326 and 2.

F. Overt Acts

34. In furtherance of the conspiracy and in order to effect the objects thereof, the defendants committed and caused to be committed the following overt acts in the Western District of Missouri and elsewhere:

35. On or about February 14, 2000, defendant CARLSON in Stanton, Iowa, sent an e-mail to Ekeland in Kansas City, Missouri regarding the Stanton, Iowa, office payroll for the week ending February 13, 2000.

36. On or about March 1, 2000, defendant WHITEHILL in Des Moines, Iowa, sent an e-mail to Ekeland in Kansas City, Missouri explaining Gecko benefits and salary levels for employees at the Des Moines location.

37. On or about March 2, 2000, defendant LOVSTAD in Brooklyn, Iowa, sent an e-mail to Ekeland in Kansas City, Missouri concerning the motivation of telemarketers.

38. On or about March 8, 2000, defendant WHITEHILL in Des Moines, Iowa, sent an e-mail to Ekeland in Kansas City, Missouri concerning telephone billing, reports regarding total hours worked, and other matters.

39. On or about March 15, 2000, defendant COOK in Des Moines, Iowa sent an e-mail to Ekeland in Kansas City, Missouri regarding sales expectations.



40. On or about March 28, 2000, defendants caused Gecko to deposit a wire transfer of \$107,035.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

41. On or about April 4, 2000, defendants caused Gecko to deposit a wire transfer of \$77,375.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

42. On or about April 10, 2000, defendants caused Gecko to deposit a wire transfer of \$79,180.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

43. On or about April 18, 2000, defendants caused Gecko to deposit a wire transfer of \$166,590.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

44. On or about April 24, 2000, defendants caused Gecko to deposit a wire transfer of \$111,110 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

45. On or about April 24, 2000, defendant WHITEHILL in Des Moines, Iowa, sent an e-mail to Ekeland in Kansas City, Missouri concerning the implementation of a 401(k) plan for Gecko employees.

46. On or about May 2, 2000, defendants caused Gecko to deposit a wire transfer of \$144,350.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

47. On or about May 2, 2000, defendant LOVSTAD in Brooklyn, Iowa, sent an e-mail to Ekeland in Kansas City, Missouri concerning increasing the sales per hour at the Brooklyn, Iowa office.

48. On or about May 3, 2000, defendant LOVSTAD in Brooklyn, Iowa, sent an e-mail to Ekeland in Kansas City, Missouri concerning sales problems.

49. On or about May 3, 2000, Ekeland in Kansas City, Missouri sent an e-mail to defendant CARLSON in Stanton, Iowa, defendant WANLESS in Shawnee, Kansas and defendant RICE in Lawrence, Kansas, concerning the sales force at Brooklyn, Iowa.

50. On or about May 9, 2000, defendants caused Gecko to deposit a wire transfer of \$79,810.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

51. On or about May 16, 2000, defendant WHITEHILL in Des Moines, Iowa sent an e-mail to Ekeland in Kansas City, Missouri containing a rough draft for a managers meeting.

52. On or about May 17, 2000, Ekeland in Kansas City, Missouri sent an e-mail to CARLSON in Stanton, Iowa; RICE in

Lawrence, Kansas; WANLESS in Kansas City, Missouri; and LOVSTAD in Brooklyn, Iowa warning them not to allow telemarketers to read additional material during the verification recording.

53. On or about June 2, 2000, defendants caused Gecko to deposit a wire transfer of \$25,735.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

54. On or about June 19, 2000, defendant LOVSTAD in Brooklyn, Iowa, sent an e-mail to Ekeland in Kansas City, Missouri concerning the June 12-18, 2000 payroll.

55. On or about June 28, 2000, defendant LOVSTAD in Brooklyn, Iowa, sent an e-mail to Ekeland in Kansas City, Missouri concerning the benefits package.

56. On or about July 10, 2000, defendants caused Gecko to deposit a wire transfer of \$123,660.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

57. On or about August 14, 2000, defendant SPENCER in Kansas City, Missouri sent an e-mail to Ekeland in Shawnee, Kansas regarding the payroll ending August 13, 2000.

58. On or about August 24, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Group One in the

amount of \$12,984.62 for the purchase of leads to credit-challenged consumers.

59. On or about August 31, 2000, defendant WANLESS in Shawnee, Kansas, sent an e-mail to Ekeland in Shawnee, Kansas concerning a Tele Strategy Telemarketing campaign linking telemarketing clients and vendors.

60. On or about September 5, 2000, defendant WHITEHILL in Des Moines, Iowa, sent an e-mail to Ekeland in Shawnee, Kansas concerning the management difficulties surrounding defendant LOVSTAD.

61. On or about September 5, 2000, defendant WHITEHILL in Des Moines, Iowa, sent an e-mail to Ekeland in Shawnee, Kansas concerning his June itinerary and various managers meeting and computer issues.

62. On or about September 7, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dart Data in the amount of \$23,400.00 for the purchase of leads to credit-challenged consumers.

63. On or about September 8, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Oxley IT in the amount of \$14,321.58 for the purchase of leads to credit-challenged consumers.

64. On or about September 11, 2000, defendants caused Gecko to deposit a wire transfer of \$100,080.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

65. On or about September 12, 2000, defendant SPENCER in Kansas City, Missouri sent an e-mail to Ekeland in Shawnee, Kansas regarding California telephone numbers.

66. On or about September 14, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dart Data in the amount of \$18,900.00 for the purchase of leads to credit-challenged consumers.

67. On or about September 21, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dart Data in the amount of \$16,200.00 for the purchase of leads to credit-challenged consumers.

68. On or about September 21, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Group One in the amount of \$11,702.51 for the purchase of leads to credit-challenged consumers.

69. On or about September 28, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard

Lists, Inc., caused a payment to be made to Dart Data in the amount of \$23,400.00 for the purchase of leads to credit-challenged consumers.

70. On or about September 28, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Group One in the amount of \$16,924.74 for the purchase of leads to credit-challenged consumers.

71. On or about October 10, 2000, defendants caused Gecko to deposit a wire transfer of \$67,560.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

72. On or about October 12, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Group One in the amount of \$11,271.42 for the purchase of leads to credit-challenged consumers.

73. On or about October 12, 2000, Ekeland in Shawnee, Kansas sent an e-mail to defendant WANLESS in Shawnee, Kansas defendant LOVSTAD in Brooklyn, Iowa, defendant RICE in Lawrence, Kansas and defendant CARLSON in Stanton, Iowa regarding a new customer service number.

74. On or about October 12, 2000, Ekeland in Shawnee, Kansas sent an e-mail to defendant WANLESS in Shawnee, Kansas regarding lead files.

75. On or about October 13, 2000, defendant LOVSTAD in Brooklyn, Iowa, sent an e-mail to Ekeland in Shawnee, Kansas concerning the need for more leads for credit challenged consumers.

76. On or about October 19, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Group One in the amount of \$16,460.10 for the purchase of leads to credit-challenged consumers.

77. On or about October 19, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Oxley IT in the amount of \$13,687.38 for the purchase of leads to credit-challenged consumers.

78. On or about October 26, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Oxley IT in the amount of \$19,273.84 for the purchase of leads to credit-challenged consumers.

79. On or about October 30, 2000, Ekeland in Shawnee, Kansas sent an e-mail to defendant WANLESS in Shawnee, Kansas regarding processing lead files.

80. On or about November 2, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Oxley IT in the amount of \$11,092.82 for the purchase of leads to credit-challenged consumers.

81. On or about November 6, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dial Connection in the amount of \$105,000.00 for the purchase of a predictive dialer.

82. On or about November 9, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Group One in the amount of \$11,450.78 for the purchase of leads to credit-challenged consumers.

83. On or about November 10, 2000, defendants caused Gecko to deposit a wire transfer of \$53,040.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

84. On or about November 16, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard



Lists, Inc., caused a payment to be made to Dart Data in the amount of \$13,063.47 for the purchase of leads to credit-challenged consumers.

85. On or about November 16, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Group One in the amount of \$14,099.00 for the purchase of leads to credit-challenged consumers.

86. On or about November 22, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dart Data in the amount of \$15,211.77 for the purchase of leads to credit-challenged consumers.

87. On or about November 22, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Global Source List, Co. in the amount of \$14,499.38 for the purchase of leads to credit-challenged consumers.

88. On or about November 27, 2000, Ekeland in Shawnee, Kansas sent an e-mail to defendant WANLESS in Shawnee, Kansas regarding lead files.

89. On or about November 28, 2000, Ekeland in Shawnee, Kansas sent an e-mail to defendants CARLSON in Stanton, Iowa; COOK in Des Moines, Iowa; RICE in Lawrence, Kansas; SPENCER in

Kansas City, Missouri; WANLESS in Shawnee, Kansas; and WHITEHILL in Des Moines, Iowa regarding consumer complaints.

90. On or about November 30, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dart Data in the amount of \$19,217.06 for the purchase of leads to credit-challenged consumers.

91. On or about November 30, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Group One in the amount of \$17,206.53 for the purchase of leads to credit-challenged consumers.

92. On or about December 1, 2000, defendants caused Gecko to deposit a wire transfer of \$311,480.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from Power Marketing Strategies, LLC.

93. On or about December 7, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dart Data in the amount of \$16,091.88 for the purchase of leads to credit-challenged consumers.

94. On or about December 8, 2000, defendants caused Gecko to deposit a wire transfer of \$235,700.00 into its account at the

Poweshiek Bank in Brooklyn, Iowa, from Power Marketing Strategies, LLC.

95. On or about December 11, 2000, defendants caused Gecko to deposit a wire transfer of \$8,640.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

96. On or about December 14, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dart Data in the amount of \$14,227.50 for the purchase of leads to credit-challenged consumers.

97. On or about December 21, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dart Data in the amount of \$22,197.00 for the purchase of leads to credit-challenged consumers.

98. On or about December 22, 2000, defendant COOK in Des Moines, Iowa sent an e-mail to Ekeland in Shawnee, Kansas regarding the need for more leads to credit-challenged consumers.

99. On or about December 27, 2000, defendant COOK in Des Moines, Iowa sent an e-mail to Ekeland in Shawnee, Kansas regarding the need for more leads to credit-challenged consumers.

100. On or about December 28, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard

Lists, Inc., caused a payment to be made to Dart Data in the amount of \$23,299.62 for the purchase of leads to credit-challenged consumers.

101. On or about December 28, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dial Connection in the amount of \$62,939.00 for the purchase of a predictive dialer.

102. On or about December 28, 2000, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Group One in the amount of \$16,214.00 for the purchase of leads to credit-challenged consumers.

103. On or about January 4, 2001, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dart Data in the amount of \$45,580.00 for the purchase of leads to credit-challenged consumers.

104. On or about January 10, 2001, defendant COOK in Des Moines, Iowa sent an e-mail to Ekeland in Shawnee, Kansas regarding the need for more leads to credit-challenged consumers.

105. On or about January 11, 2001, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dart Data in the

amount of \$34,323.30 for the purchase of leads to credit-challenged consumers.

106. On or about January 12, 2001, defendant COOK in Des Moines, Iowa sent an e-mail to Ekeland in Shawnee, Kansas regarding the need for more leads to credit-challenged consumers.

107. On or about January 12, 2001, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dart Data in the amount of \$39,690.00 for the purchase of leads to credit-challenged consumers.

108. On or about January 22, 2001, Ekeland in Shawnee, Kansas sent an e-mail to defendants CARLSON in Stanton, Iowa; COOK in Des Moines, Iowa; RICE in Lawrence, Kansas; SPENCER in Kansas City, Missouri; WANLESS in Shawnee, Kansas; and WHITEHILL in Des Moines, Iowa, attaching a "sample presentation" to display upon inquiry by any government official.

109. On or about January 23, 2001, defendant RICE in Lawrence, Kansas, sent an e-mail to Ekeland in Shawnee, Kansas concerning changes to the Novella Credit Solutions sales script.

110. On or about January 25, 2001, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Group One in the amount of \$17,880.48 for the purchase of leads to credit-challenged consumers.

111. On or about February 1, 2001, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Dart Data in the amount of \$30,350.16 for the purchase of leads to credit-challenged consumers.

112. On or about February 1, 2001, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Group One in the amount of \$13,098.24 for the purchase of leads to credit-challenged consumers.

113. On or about February 5, 2001, defendants caused Gecko to deposit a wire transfer of \$178,490.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from Power Marketing Strategies, LLC.

114. On or about February 5, 2001, Ekeland in Shawnee, Kansas sent an e-mail to defendant RICE in Lawrence, Kansas regarding a problem with the verification process and a consumer complaint to the state attorney general's office.

115. On or about February 5, 2001, defendant SPENCER in Kansas City, Missouri replied to an e-mail from Ekeland in Shawnee, Kansas regarding an employee problem located in another office.

116. On or about February 8, 2001, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard

Lists, Inc., caused a payment to be made to Dart Data in the amount of \$25,099.56 for the purchase of leads to credit-challenged consumers.

117. On or about February 8, 2001, defendant WHITEHILL and Ekeland, as co-owners of Gecko Communications, Inc., and Lizard Lists, Inc., caused a payment to be made to Group One in the amount of \$16,263.00 for the purchase of leads to credit-challenged consumers.

118. On or about February 12, 2001, defendants caused Gecko to deposit a wire transfer of \$6,840.00 into its account at the Poweshiek Bank in Brooklyn, Iowa, from the automated clearing house United Capturdyne Technologies, Inc.

119. On or about February 14, 2001, defendant RICE in Lawrence, Kansas, sent an e-mail to Ekeland in Shawnee, Kansas regarding the computer deletion of e-mail files.

120. On or about February 14, 2001, Ekeland in Shawnee, Kansas sent an e-mail to defendants COOK in Des Moines, Iowa; RICE in Lawrence, Kansas; SPENCER in Kansas City, Missouri; WANLESS in Shawnee, Kansas; and WHITEHILL in Des Moines, Iowa regarding the computer deletion of sales scripts and rebuttals of Card America, Novella, Key Credit and Vendon.

121. On or about February 15, 2001, defendant WHITEHILL in Des Moines, Iowa sent an e-mail to defendant WANLESS in Shawnee, Kansas, and other Gecko offices including Stanton, Iowa;

Lawrence, Kansas; Kansas City, Missouri; and Brooklyn, Iowa, regarding a sales update.

122. Included in the overt acts committed and incorporated by reference herein are the substantive criminal offenses in this indictment which are designated Counts Two through Twenty-Three, inclusive.

All in violation of Title 18 U.S.C. § 371.

COUNTS TWO THROUGH TWENTY-TWO

1. The grand jury realleges and incorporates by reference the allegations in paragraphs one through 122 of this Indictment.

2. On or about the below listed dates in the Western District of Missouri, and elsewhere, the listed defendants, aiding and abetting others, for the purpose of executing the aforementioned scheme to obtain money and property by means of material false and fraudulent representations and pretenses as described in paragraphs one through 122 of this Indictment, did transmit and cause to be transmitted in interstate commerce by means of a wire communication, certain signs and signals and sounds as described below, and as part of that scheme the listed defendants engaged in a plan, program, promotion and campaign to induce the purchases of goods or services by use of one or more interstate telephone calls initiated by a person who is conducting the plan, program, promotion, and campaign contrary to the provisions of 18 U.S.C. § 2325.



All in violation of 18 U.S.C. §§ 1343, 2325, 2326 and 2.

COUNT	DEFENDANT	DATE	DESCRIPTION OF WIRE COMMUNICATION
Two	ZACHERY T. WHITEHILL	July 18, 2000	an e-mail sent from the Gecko Communications, Inc., Des Moines, Iowa office to the office in Kansas City, Missouri, regarding Gecko inventory
Three	ZACHERY T. WHITEHILL	May 17, 2000	an e-mail sent from the Gecko Communications, Inc., Des Moines, Iowa, office to the Gecko office in Kansas City, Missouri, regarding the 1999 sales report
Four	ZACHERY T. WHITEHILL	April 19, 2000	an e-mail sent from the Gecko Communication, Inc., Des Moines, Iowa, office to the Gecko office in Kansas City, Missouri, regarding Gecko expense reports
Five	CHRISTOPHER L. CARLSON	January 3, 2000	an e-mail sent from the Gecko Communications, Inc., Stanton, Iowa, office to the Gecko office in Kansas City, Missouri, regarding the Stanton payroll for the week ending January 2, 2000
Six	CHRISTOPHER L. CARLSON	February 1, 2000	an e-mail sent from the Gecko Communications, Inc., Stanton, Iowa, office to the Gecko office in Kansas City, Missouri, regarding new credit card deals

COUNT	DEFENDANT	DATE	DESCRIPTION OF WIRE COMMUNICATION
Seven	CHRISTOPHER L. CARLSON	February 1, 2000	an e-mail sent from the Gecko Communications, Inc., Stanton, Iowa, office to the Gecko office in Kansas City, Missouri, regarding new credit card deals
Eight	JAIME E. COOK	May 3, 2000	an e-mail sent from the Gecko Communications, Inc., Des Moines, Iowa office to the Gecko office in Kansas City, Missouri, regarding the a new collected sales record
Nine	JAIME E. COOK	December 4, 2000	an e-mail sent from the Gecko Communications, Inc., Des Moines, Iowa office to the Gecko office in Kansas City, Missouri regarding sales reports
Ten	JAIME E. COOK	December 27, 1999	an e-mail sent from the Gecko Communications, Inc., Des Moines, Iowa office to the Gecko office in Kansas City, Missouri, regarding the Des Moines, Iowa, payroll from December 20-26, 1999
Eleven	BRADLEY L. LOVSTAD	January 31, 2000	an e-mail sent from the Gecko Communications, Inc., Brooklyn, Iowa office to the Gecko office in Kansas City, Missouri, regarding the payroll of January 24, 2000

COUNT	DEFENDANT	DATE	DESCRIPTION OF WIRE COMMUNICATION
Twelve	BRADLEY L. LOVSTAD	February 28, 2000	an e-mail sent from the Gecko Communications, Inc., Brooklyn, Iowa office to the Gecko office in Kansas City, Missouri, regarding payroll beginning February 21, 2000
Thirteen	BRADLEY L. LOVSTAD	May 3, 2000	an e-mail sent from the Gecko Communications, Inc., Brooklyn, Iowa office to the Gecko office in Kansas City, Missouri, regarding the percentage of collected sales at Gecko
Fourteen	STEVEN T. RICE	January 10, 2000	an e-mail sent from the Gecko Communications, Inc., Lawrence, Kansas office to the Gecko office in Kansas City, Missouri, regarding payroll new hires at Gecko
Fifteen	STEVEN T. RICE	February 1, 2000	an e-mail sent from the Gecko Communications, Inc., Lawrence, Kansas office to the Gecko office in Kansas City, Missouri, regarding a modified sales script
Sixteen	STEVEN T. RICE	May 22, 2000	an e-mail sent from the Gecko Communications, Inc., Lawrence, Kansas office to the Gecko office in Kansas City, Missouri, regarding increasing weekend sales
Seventeen	JASON R. SPENCER	August 14, 2000	an e-mail sent from the Gecko Communications, Inc., Kansas City, Missouri office to the Gecko office in Shawnee, Kansas, regarding the Kansas City payroll ending August 13, 2000

COUNT	DEFENDANT	DATE	DESCRIPTION OF WIRE COMMUNICATION
Eighteen	JASON R. SPENCER	September 25, 2000	an e-mail sent from the Gecko Communications, Inc., Kansas City, Missouri office to the Gecko office in Shawnee, Kansas, regarding Kansas City weekend sales of September 22-24, 2000
Nineteen	JASON R. SPENCER	October 25, 2000	an e-mail sent from the Gecko Communications, Inc., Kansas City, Missouri office to the Gecko office in Shawnee, Kansas, regarding the need for additional telephones, keyboards and other items
Twenty	MONTY E. WANLESS	April 3, 2000	an e-mail that was caused to be sent by defendant WANLESS from the Gecko Communications, Inc., Des Moines office to the Gecko office in Kansas City, Missouri, regarding sales reports
Twenty-One	MONTY E. WANLESS	June 19, 2000	an e-mail that was caused to be sent by defendant WANLESS from the Gecko Communications, Inc., Des Moines office to the Gecko office in Kansas City, Missouri, regarding sales reports
Twenty-Two	MONTY E. WANLESS	December 18, 2000	an e-mail sent from the Gecko Communications, Inc., Des Moines, Iowa office to the Gecko office in Kansas City, Missouri, regarding company sales

COUNT TWENTY-THREE

1. The grand jury realleges and incorporates by reference the allegations in paragraphs one through 122 of this Indictment.

2. On or about August 18, 2000, in the Western District of Missouri, and elsewhere, ZACHERY T. WHITEHILL, defendant herein, aiding and abetting another, did knowingly engage and attempt to engage in a monetary transaction by through a financial institution, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, that is, a deposit of United States currency in the amount of \$50,000, at Bank of America in Kansas City, Missouri, such property having been derived from a specified unlawful activity, that is, wire fraud.

All in violation of 18 U.S.C. §§ 1957 and 2.

COUNT TWENTY-FOUR

1. The grand jury realleges and incorporates by reference the allegations in Count One of this Indictment for the purpose of alleging forfeiture to the United States pursuant to 18 U.S.C. § 982(a)(8).

2. As a result of the offense and scheme alleged in Count One the defendant ZACHERY T. WHITEHILL shall forfeit to the United States all property, real and personal, used or intended to be used to commit, to facilitate, or to promote the commission of such offense and scheme, and constituting, derived from, or traceable to the gross proceeds that the defendant obtained

directly or indirectly as a result of the offense and scheme, including but not limited to the following property:

Money Judgment

Approximately \$12,523,704.00 in United States currency and all interest and proceeds traceable thereto, in that such sum in aggregate constitutes or is derived from proceeds of the offense and scheme as alleged in Count One.

Substitute Assets

If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendant:

1. cannot be located upon the exercise of due diligence;
2. has been transferred or sold to, or deposited with, a third party;
3. has been placed beyond the jurisdiction of the court;
4. has been substantially diminished in value; or
5. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States pursuant to 21 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 982(b)(1), to seek forfeiture of any other property of said defendant up to the value of the forfeitable property, that is, approximately \$12,523,704.00.

All in violation of 18 U.S.C. § 982(a)(8).

### NOTICE OF SPECIAL FINDINGS

The allegations contained in paragraphs one through 123 are realleged and are incorporated by reference herein for the purpose of putting the aforementioned defendants on notice of the following Special Findings existing as to their participation in the offenses described in this Indictment.

#### I. Factors Relating to the Fraudulent Activity

1. There is a an actual loss of more than \$10,000,000.00 and an intended loss of more than \$80,000.000.00.
2. The offense involved a scheme to defraud more than one victim.
3. The offense was committed through mass-marketing.

#### II. Factors Relating to the Victims

1. The defendants knew or should have known that a victim of the offense was a vulnerable victim.
2. The offense involved a large number of vulnerable victims.

#### III. Factors Relating to Defendant's Role in the Offense.

1. Defendant WHITEHILL was an organizer or leader of a criminal activity involving five or more participants.
2. Defendants, CARLSON, COOK, LOVSTAD, RICE, SPENCER and WANLESS were managers or supervisors of a criminal activity involving five or more participants.

3. Defendants used or attempted to use a person less than eighteen years of age to commit the telemarketing fraud.

A TRUE BILL.

Dated: \_\_\_\_\_

\_\_\_\_\_  
FOREPERSON OF THE GRAND JURY

\_\_\_\_\_  
William L. Meiners #28263  
Assistant United States Attorney